

Instructions for Title Insurer Data Call
California Department of Insurance
August 22, 2005

General Instructions

Please provide the information requested in the specified format by no later than **October 21, 2005**.

Please submit your response in spreadsheet files using the templates provided by the Department. If your responses to the request for Tables 4 and 6 require more rows or records than fit into a spreadsheet, please submit these Tables in either a Microsoft Access-compatible database or a comma-delimited text file. Comma-delimited text file means that each record is a separate row and each data element is separated (delimited) by a comma. Text entries are identified with quotation marks. If submitting Tables 4 and 6 as either a database or text file, please use the layout for the Tables 4 and 6 spreadsheet templates provided by the Department.

If possible, please submit the supplemental information in electronic format as a spreadsheet file, Adobe PDF file, Microsoft Word-compatible file or text file format. You may submit the supplemental information in paper format.

The Department prefers to receive your response via e-mail with attachments. If you e-mail the requested information, please use the following e-mail address: rsb@insurance.ca.gov. If you e-mail your submission, the Department will confirm receipt by e-mail.

You may mail your responses on a CD-ROM to the Rate Specialist Bureau at the address below.

The mailing address is:

Rate Specialist Bureau
California Department of Insurance
300 S. Spring Street, South Tower, 14th Floor
Los Angeles, CA 90013

If you have questions about the data call, please submit the questions by e-mail using the same e-mail address rsb@insurance.ca.gov for submissions. The Department will post the complete data call documents on its web site at the following address:

<http://www.insurance.ca.gov/>

Information Requested

TI - Table 1: American Land Title Association (ALTA) Uniform Financial Reporting Form Balance Sheet Summary

Using the provided spreadsheet templates, provide a report of year-end 2004 assets and liabilities using the forms and instructions contained in the ALTA Uniform Financial Reporting Plan to report your data.

TI - Table 2: American Land Title Association (ALTA) Uniform Financial Reporting Form Income and Expense Summary

Using the provided spreadsheet templates, provide a report of year-end 2004 income from operations and investments and their related expenses using the forms and instructions contained in the ALTA Uniform Financial Reporting Plan to report your data.

TI - Table 3: Detailed California Income Statement for 2004

Using the provided spreadsheet template, provide a report of income and expenses for California business in 2004. Do not report investment income or expenses associated with investment income in this table. Those amounts are reported in Table 2.

TI - Table 4: List of Policies

Using the provided spreadsheet template, provide a report of all title insurance policies issued by your title insurance company in California in 2004. The spreadsheet template is explained below.

Column 1:	Name of Title Insurance Company	Report the complete name of the title insurance company
Column 2:	Direct, Affiliated or Non-Affiliated	Report 1 if the policy was sold directly; 2 if sold through an affiliated underwritten title company; and 3 if sold through a non-affiliated underwritten title company.
Column 3:	Name of UTC	Report the name of the affiliated or non-affiliated underwritten title company involved in the policy issuance. Leave blank for direct business.
Column 4:	Date Policy Issued	Report the date the policy was issued in YYYYMMDD format. For example, report May 15, 2005 as "20050515" without the quotation marks.
Column 5:	Type of Title Order Transaction	Report 1 for a new home sale other than in a subdivision or any residential resale; 2 for a new home sale only in a subdivision; 3 for a residential refinance; 4 for any other residential transaction; and 5 for all commercial and industrial activity.
Column 6:	Type of Policy	Report 1 if an owners policy issued concurrently with a lenders policy; 2 if a lenders policy issued concurrently with an owners policy; 3 if an owners policy issued <u>without</u> an accompanying lenders policy; 4 if a lenders policy issued <u>without</u> an accompanying owners policy and 5 for all other types of policies.
Column 7:	Type of Policy Form	Report the type of policy form. Include the following information – ALTA or CLTA; standard or expanded; owners or lenders; year policy form first available; or other description as necessary. For example, "CLTA standard owners 1990."
Column 8:	Amount of Insurance	Report the amount of insurance on the policy. Report the amount without comma or dollar signs. For example, report a liability of \$542,000 as "542000" without the quotation marks.
Column 9:	Premium Amount	Report the gross title premium for the policy less any amounts for endorsements.
Column 10:	Endorsement 1	If the policy was sold with an endorsement, report the number or code of the endorsement. Report separately, as described in supplemental information for Table 4, a list of endorsements used by number or code with the names and descriptions of the endorsements.
Column 11:	Endorsement 1 Premium	Report the gross premium charge for endorsement 1.
Column 12:	Endorsement 2	If the policy was sold with a second endorsement, report the number or code of the second endorsement. Report separately, as described in supplemental information for Table 4, a list of endorsements used by number or code with the names and descriptions of the endorsements.

Column 13:	Endorsement 2 Premium	Report the gross premium charge for endorsement 2.
Column 14:	Endorsement 3	If the policy was sold with a third endorsement, report the number or code of the third endorsement. Report separately, as described in supplemental information for Table 4, a list of endorsements used by number or code with the names and descriptions of the endorsements.
Column 15:	Endorsement 3 Premium	Report the gross premium charge for endorsement 3.
Column 16:	Endorsement 4	If the policy was sold with a fourth endorsement, report the number or code of the fourth endorsement. Report separately, as described in supplemental information for Table 4, a list of endorsements used by number or code with the names and descriptions of the endorsements.
Column 17:	Endorsement 4 Premium	Report the gross premium charge for endorsement 4.
Column 18:	Endorsement 5	If the policy was sold with a fifth endorsement, report the number or code of the fifth endorsement. Report separately, as described in supplemental information for Table 4, a list of endorsements used by number or code with the names and descriptions of the endorsements.
Column 19:	Endorsement 5 Premium	Report the gross premium charge for endorsement 5.

Supplemental Information for Table 4:

Please provide a list of all title insurance policy endorsements used in 2004 with the number or code of the endorsement, the name of the endorsement and a brief description of the endorsement.

TI - Table 5: Title Insurance Claims by Year

Using the provided spreadsheet template, provide a report of premium, exposure and claims by calendar and policy year from 1980 through 2004. The spreadsheet template is explained below.

Column 1:	Name of Title Insurance Company	Report the complete name of the title insurance company
Column 2:	Policy Issuance Year	Report the policy issuance year.
Column 3:	Gross Earned Premium	Report the gross earned title insurance premium for the year stated in Column 2.
Column 4:	Retained Earned Premium	Report the earned premium retained for the year stated in Column 2.
Column 5:	Amount of Insurance	Report the total amount of insurance on policies issued in the year stated in Column 2. Report the amount without comma or dollar signs. For example, report a total amount of insurance of \$1,234,567,890 as "1234567890" without the quotation marks.
Column 6:	Claims Paid During Year	Report the total dollar amount of claims paid <u>during</u> the year stated in Column 2 regardless of when the policy was issued.
Column 7:	Claims Paid For Policy Year	Report the total dollar amount of claims paid only for policies <u>issued</u> in the year stated in Column 2.
Column 8:	Case Claim Reserves	Report the total dollar amount of any existing claim reserves at year-end 2004 for the year stated in Column 2.
Column 9:	Incurred But Not Reported Reserves	Report the total dollar amount of any existing IBNR at year-end 2004 for the year stated in Column 2.
Column 10:	Number of Claims Paid During Year	Report the number of claims for Column 6
Column 11:	Number of Claims Paid For Policy Year	Report the number of claims for Column 7.
Column 12:	Number of Claims Reserved	Report the number of claims for Column 8.

TI - Table 6: Title Insurance Claim Detail for 2003 and 2004

In Table 6, the Department requests detailed information on claim activity in 2003 and 2004 with a list of all claims paid or reserved. The table is a list of policies for which a claim has been made under the policy and a description of the disposition of that claim. **Report multiple events on the same policy as separate claims and separate records.**

Column 1:	Name of Title Insurance Company	Report the complete name of the title insurance company
Column 2:	Date Policy Issued	Report the date the policy was issued in YYYYMMDD format. For example, report May 15, 2005 as “20050515” without the quotation marks.
Column 3:	Type of Title Order Transaction	Report 1 for a new home sale other than in a subdivision or any residential resale; 2 for a new home sale only in a subdivision; 3 for a residential refinance; 4 for any other residential transaction; and 5 for all commercial and industrial activity.
Column 4:	Type of Policy	Report 1 if an owners policy issued concurrently with a lenders policy; 2 if a lenders policy issued concurrently with an owners policy; 3 if an owners policy issued <u>without</u> an accompanying lenders policy; 4 if a lenders policy issued <u>without</u> an accompanying owners policy and 5 for all other types of policies.
Column 5:	Type of Policy Form	Report the type of policy form. Include the following information – ALTA or CLTA; standard or expanded; owners or lenders; year policy form first available; or other description as necessary. For example, “CLTA standard owners 1990.”
Column 6:	Amount of Insurance	Report the amount of insurance on the policy. Report the amount without comma or dollar signs. For example, report a liability of \$542,000 as “542000” without the quotation marks.
Column 7:	Endorsement 1	If the claim is made under coverage provided by an endorsement, please identify that endorsement using the company endorsement number provided in the supplemental information for Table 4.
Column 8:	Endorsement 2	If the claim is made under coverage provided by multiple endorsements, please identify the second endorsement using the company endorsement number provided in the supplemental information for Table 4.
Column 9:	Endorsement 3	If the claim is made under coverage provided by multiple endorsements, please identify the third endorsement using the company endorsement number provided in the supplemental information for Table 4.
Column 10:	ALTA Risk Code	Report the type of claim using the American Land Title Association Risk Codes, February 2002 edition. Please refer to the ALTA website link.
Column 11:	Claim Denied	If the claim was denied, please report the reason for denial.
Column 12:	Amount Paid	Report the dollar amount paid on this claim to date.
Column 13:	Amount Reserved	Report the dollar amount of any claim reserve at year-end 2004 established for this claim.

Column 14:	Loss Adjustment Expenses Paid	Report the dollar amount of any paid loss adjustment expense associated with this claim.
Column 15:	Loss Adjustment Expense Reserve	Report the dollar amount of any loss adjustment expense reserve at year-end 2004 established for this claim
Column 16:	UTC Recoveries	Report the dollar amount of any recoveries on this claim obtained from underwritten title companies.
Column 17:	Other Recoveries	Report the dollar amount of any recoveries on this claim obtained from any source other than an underwritten title companies.

Supplemental Information for Table 6:

Please provide the total dollar amount of loss adjustment expenses for 2003 and 2004 not otherwise included in Table 6, representing general loss adjustment expenses not associated with individual claims.

TI - Table 7: Personnel Expenses

In Table 7, the Department requests a report of personnel expenses **incurred** for California-only title insurer activity in 2004 broken out by major category of activity. Please use the activity categories in the following list:

1. Title Search / Examination – This activity includes acquisition of title and related documents from a title plant or other information source, examination and analysis of the documents and underwriting.
2. Title Plant Maintenance – This activity includes physical maintenance of a back plant and physical maintenance and updates to the current plant. This activity includes maintenance of databases and information for title and title-related documents.
3. Title Policy Issuance – This activity includes preparation and issuance of the title policy and related documents and maintenance of customer information.
4. Title Claims – This activity includes intake, processing and settling of title insurance claims.
5. General Management – This activity includes general management of the UTC. Do not include managers of activities specifically identified in this list. Those managers should be included with the functional activity they manage. For example, include a general counsel in this category, but do not include a lawyer dedicated to settling claims. Include human resources in the category. Include general information technology in this category – computer and network installation, maintenance and support not otherwise assigned to a separate functional category. Include any personnel devoted to developing and maintaining hardware and software for electronic access to title plant information in the Title Plant Maintenance category.
6. Customer Support – This activity includes answering questions and providing information to the UTC's customers or members of the public, outside of formal title search and examination and claims settlement activities.

7. Sales – This activity includes sales, business promotion and solicitation.
8. Escrow Other Than Closing – This activity includes all escrow activity other than the actual closing of the real estate transaction.
9. Escrow Closing – This activity includes the actual closing of the real estate transaction.
10. Escrow Claims Settlement – This activity includes processing and settling escrow claims.
11. Other – If none of the above categories can be used, use this code and explain the activity. If there are two or more types of "Other" activities, use codes 12, 13 and 14, as necessary.

Please include all employees, temporary/contract workers and consultants in the following reporting format. If a worker is engaged in two or more of the categories listed, please estimate the percentage of the worker's time in each of the categories and allocate the worker's personnel costs on the basis of the time percentages. Please assign administrative and other support workers to the category or categories for which the workers provide the support.

Column 1:	Name of Title Insurer	Insert the complete name of the title insurance company.
Column 2:	CDI Activity Category	Please use one of the codes from the list above to describe activity being reported.
Column 3:	Description of "Other"	If Column 2 is a code for "Other," please provide a name and description of the activity category.
Column 4:	Total Full Time Equivalent Workers	Please report the total number of full-time equivalent employees, temporary/contract workers and consultants for this category in 2004. An employee who is engaged in each of two activity categories for 50% of her time would be a 0.5 full-time equivalent in each activity category. An employee who worked in one activity for only three months of the year would be a 0.25 full-time equivalent.
Column 5:	Salary	Report the aggregate salary incurred for this activity in 2004. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total salary incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in Column 4.
Column 6:	Commission	Report the aggregate commission incurred for this activity in 2004. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total commission incurred this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in Column 4.
Column 7:	Bonus	Report the aggregate bonuses incurred for this activity in 2004. If a worker engaged in more than one activity, calculate the amount for individual workers by multiplying the total bonus incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in Column 4. Include in the bonus category any amounts incurred as dividends to owners who are also employees of, or consultants to, the UTC.
Column 8:	Employee Relations and Welfare	Report the aggregate benefits incurred to workers for this activity in 2004. If a workers engaged in more than one activity, calculate the amount for individual workers by multiplying the total benefits incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in Column 4.

Supplemental Information to accompany Table 7:

1. An organizational chart for the California business of the title insurance company that identifies the activity categories that the title insurer uses.
2. For each activity category in your organizational chart, please provide the total number of full-time equivalent workers – employees, temporary/contract workers and consultants – and the total personnel costs for that activity category for California business in 2004;

3. A description of the criteria and calculation of commissions and bonuses for individuals receiving a commission and/or bonus in California in 2004.
4. A list of the agencies you use for temporary / contract workers and the major type of worker from that agency – administrative support, title, escrow, etc. – for California business.